

Community Development Block Grant Fund	Fund 441
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PURPOSE OF THE FUND:

The Community Development Block Grant (CDBG) Fund accounts for federal grant moneys received from the U.S. Department of Housing and Urban Development under Title I of the Housing and Community Development Act of 1974 and Rental Rehabilitation Program funds.

According to the Code of Federal Regulations (CFR), the objective of the Community Development Block Grant is to develop viable urban communities, by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for persons of low and moderate income. (Title 24 CFR, Part 570)

Some of the specific activities that can be carried out with Community Development Block Grant funds include acquisition of real property, relocation and demolition, rehabilitation of residential and nonresidential structures, and provision of public facilities and improvements. All eligible activities must either benefit low- and moderate-income persons, aid in the prevention or elimination of slums and blight, or meet other community development needs having a particular urgency.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.200 through 4.80.220. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Community Development Block Grant funding from the federal government in accordance with Title I of the Housing and Community Development Act of 1974
- Interest earnings
- Interest and principal payments on loan receivables

FUND RESTRICTIONS:

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted by other policies and guidelines, which are described below.

Moneys in the CDBG Fund are only to be expended for purposes authorized by the Housing and Community Development Act of 1974. Expenditures are subject to restrictions detailed within this Act.

Administrative expenses incurred within the General Fund as a result of the City's community development program, including the grant application process, can be charged against appropriations within this fund.

Interest earnings from outstanding loans are retained in the fund.

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LEAD RESPONSIBILITY:

Housing Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 13.01